

**PURPOSE AND BYLAWS
OF JUNIPER RIDGE EMPLOYMENT
SUB-DISTRICT OWNERS ASSOCIATION, INC.**

PURPOSE

The purposes of the Juniper Ridge Sub-district Owners Association are (1) to ensure compliance with the Declaration of Covenants, Conditions and Restrictions for Juniper Ridge Employment Sub-District, and (2) to coordinate and provide for maintenance of the Common Areas.

BYLAWS

**ARTICLE I
NAME AND LOCATION**

The name of the Association is Juniper Ridge Employment Sub-District Owners Association, Inc. The principal office of the Association in the State of Oregon shall be located at 710 NW Wall Street, Bend, OR 97703_ or such other place as the Board may designate from time to time. The registered office of the Association required by the Oregon Nonprofit Corporation Act to be maintained in the State of Oregon may be, but need not be, identical with the principal office, and the address of the registered office may be changed from time to time by the Board of Directors.

**ARTICLE II
DEFINITIONS**

The following terms shall have the following meanings when used in these Bylaws:

2.1 Articles. “Articles” means the Articles of Incorporation of the Association, as amended from time to time.

2.2 Association. “Association” means the Juniper Ridge Employment Sub-District Owners Association, Inc., an Oregon nonprofit corporation formed by filing the Articles with the Corporation Division of the Oregon Secretary of State, and such corporation’s successors and assigns.

2.3 Declaration. “Declaration” means the Declaration of Covenants, Conditions and Restrictions for Juniper Ridge Employment Sub-District recorded in the deed records of Deschutes County, Oregon, as the same may be amended from time to time in accordance with the terms thereof.

2.4 Officer. “Officer” means an officer of the Association as described in and elected in accordance with Article X of these Bylaws.

2.5 Other Terms. Other capitalized terms used in these Bylaws without definition shall have the respective meanings given to such terms in the Declaration.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

3.1 Membership. Each Owner shall, immediately upon creation of the Association and thereafter during the entire period of such Owner's ownership of a Lot, be a Member of the Association. Additionally, Declarant shall be a Member as long as Declarant owns any portion of the Property, whether or not that portion is a Lot. Such membership shall commence, exist, and continue simply by virtue of such ownership, shall expire automatically upon termination of such ownership, and need not be confirmed or evidenced by any certificate or acceptance of membership. A subsequent Owner of any Lot shall become a Member of the Association upon its acquisition of a Lot.

3.2 Voting Rights. The Association shall have two (2) classes of voting membership:

3.2.1 Class A. Class A Members shall be all Members with the exception of Declarant (except that beginning on the date on which the Class B membership is converted to Class A membership, and thereafter, Class A Members shall consist of all Members, including Declarant). Class A Members shall be entitled to one vote for each full acre of land contained in such Member's Lot(s) and each additional half or more acre less than a full acre. For example, the Owner of a Lot of 4.6 acres shall have five votes and the Owner of a Lot of 4.4 acres shall have four votes. There shall be no fractional votes. In the event that a Lot is owned by more than one entity or individual, a majority must agree upon how to cast their vote. In the event that such multiple Owners attempt to cast their vote(s) discordantly, the Association shall disregard all such votes.

3.2.2 Class B. The Class B Member shall be the Declarant, and Declarant shall be entitled to a number of votes equal to ten (10) votes per full acre of land owned by Declarant and for any additional half or more acre less than a full acre owned by Declarant. For purposes of calculating Declarant's votes, land owned by Declarant that is annexed to the Property and the Declaration pursuant to Section 10.1 of the Declaration shall count upon recordation of the applicable Declaration of Annexation. Declarant's votes shall be determined by reference to total gross acreage without regard to Lot lines or whether such acreage is platted or served by roads.

The Class B membership shall cease and be converted to Class A membership upon the earlier to occur of the following: (i) the date of the Declarant's election in writing to terminate the Class B membership; or (ii) sixty (60) days after the Declarant no longer owns any of the Property. Once the Class B membership has been converted, it shall not be reinstated for any reason, regardless of whether Declarant subsequently annexes additional property to the Property subject to the Declaration.

3.3 Suspension of Class A Voting Rights. A Member's voting rights may be suspended as provided in the Declaration.

ARTICLE IV PROPERTY RIGHTS; RIGHTS OF ENJOYMENT

Except as otherwise expressly provided in the Declaration or in a Plat in which a Lot was platted or partitioned, the Owner of a Lot shall be entitled to the exclusive use and benefit of such Lot. Every Owner and the Owner's Permitted Users shall also have a non-exclusive right and easement of enjoyment in and to the Common Areas subject to the provisions of the Declaration. Such easement shall be appurtenant to and shall pass with the title to every Lot.

ARTICLE V ELECTION OF DIRECTORS AND TERM OF OFFICE

5.1 Number of Directors. The affairs of the Association shall be managed by the Board. The Board shall consist of seven (7) Directors, which shall be elected in accordance with these Bylaws. Prior to Turnover, at least two (2) of the Directors shall be Class A Members. No cumulative voting shall be permitted.

5.2 Qualifications of Directors. As long as there is Class B membership, the Directors are not required to be Members, except for the Directors elected to fill the two (2) Board seats reserved for the Class A Members who shall be Class A Members. On and after the date that Class B membership ceases all Directors shall be Members. For purposes of this Section 5.2, the officers, directors or employees of any corporation or governmental agency, the trustee of any trust, the partners of any partnership, or the members, managers, officers or employees of any limited liability company that is a Member shall be eligible to serve as Directors. Prior to election to the Board, any individual wishing to serve on the Board in the capacity as a representative of a Member in accordance with this Section 5.2 shall provide the Board with documentation satisfactory to the Board that the person is qualified to represent the Member in compliance with the requirements of this Section 5.2. The position of an individual serving on the Board as a representative of a Member in accordance with this Section 5.2 shall automatically become vacant if the individual no longer meets the requirements set forth in this Section 5.2.

5.3 Election of Directors. The initial Directors designated in the Articles or otherwise appointed by the incorporator of the Association shall serve until the first annual meeting of the Association. At the first annual meeting of the Association, the initial Directors shall resign and three (3) Directors shall be elected for a term of one (1) year and four (4) Directors shall be elected for a term of two (2) years. Election of Directors shall be by plurality with the persons receiving the highest vote totals being elected to the Board, subject to the requirement that prior to Turnover at least two (2) Directors shall be Class A Members. The persons receiving the four (4) highest vote totals at the initial annual meeting of the Association shall serve for the two-year terms. Thereafter, at each annual meeting of the Association, the

Members shall elect a number of Directors equal to the number whose terms are then expiring, each to serve a term of two (2) years. Election of Directors shall be by secret ballot. Members shall be entitled to cast the number of votes described in Section 3.2 above for each open Director seat. However, voting for Directors shall not be cumulative. Any Director may serve more than one (1) term and such terms may be successive.

5.4 Term of Office. Directors elected at any meeting held for the purpose of election of Directors shall assume all of the duties of office effective as of the date of the meeting at which they are elected. Directors in office prior to such meeting whose terms are expiring shall vacate their positions on the Board effective as of the date of the meeting, and they shall have no further powers as Directors.

5.5 Removal. Any Director may be removed, with or without cause, by the affirmative vote of a majority of the voting power of the Members present and entitled to vote at any meeting of the Members at which a quorum is present. No removal of a Director is effective unless the matter of removal was included in the notice of the meeting. At such meeting, the Members shall elect a replacement Director to serve the remainder of the replaced Director's term.

5.6 Resignation. Any Director may resign at any time by sending a written notice of such resignation to the secretary of the Association. Unless otherwise specified in such notice, a resignation shall take effect upon receipt of the notice by the secretary.

5.7 Vacancies. Any vacancies on the Board caused by the death, resignation, or disqualification of a Director shall be filled by the affirmative majority vote of the remaining Directors, even if they constitute less than a quorum. Any Director so elected shall serve the remainder of the replaced Director's term. Vacancies on the Board caused by the removal of a Director pursuant to Section 5.5 above shall be filled in accordance with the procedures set forth in Section 5.5 above.

5.8 Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, a Director may be reimbursed for his or her actual expenses reasonably incurred in the performance of his or her duties.

ARTICLE VI MEETINGS OF THE BOARD

6.1 Initial Meeting. The initial meeting of the Board shall occur within _one hundred eighty (180) days after the date the Articles are filed and shall be called in accordance with Section 6.3 below.

6.2 Annual Meetings. The Board shall meet at least annually within thirty (30) days after each annual meeting of the Members. At each annual meeting, in addition to any actions required by the Declaration or otherwise included in the agenda of the meeting, the treasurer of the Association shall present to the Board a report on the financial condition of the

Association, including a report of receipts and disbursements for the preceding calendar year, the allocation thereof to each Lot, and the estimated receipts and expenses for the coming year.

6.3 Special Meetings. Special meetings of the Board may be called at any time by the president of the Association or two (2) Directors. Such meetings shall be scheduled by the secretary of the Association at least two (2) but not more than thirty (30) days after the secretary's receipt of a written request signed by the president or at least two (2) Directors; provided that if the purpose of a special meeting is to elect a successor secretary pursuant to Section 10.2 or to consider removal of the secretary pursuant to Section 10.5, such meeting may be scheduled by the president or, if the meeting is also for the purpose of electing a successor president or removing the president, any other Director.

6.4 Place of Meetings. Meetings of the Board shall be held at such place within Oregon, as may be designated from time to time by the Board. Notwithstanding the foregoing, Directors may participate in or conduct meetings of the Board by telephone, video conference or other means provided that all Directors participating may simultaneously hear or read each other communications during the meeting or all communications during the meeting are immediately transmitted to each participating Director, and each participating Director is able to immediately send messages to all other participating Directors. If a meeting is conducted by telephone, video conference or other similar means all participating Directors shall be informed that a meeting is taking place at which official business may be transacted and a Director participating in the meeting by telephone, video conference or other permissible means is deemed to be present in person at the meeting.

6.5 Notice of Meetings. The secretary of the Association shall give notice to each Director of each Board meeting at least seven (7) but not more than thirty (30) days prior to the date set for such meeting, stating the purpose, time, and place of the meeting. All notices to Directors shall be given in accordance with the notice provisions set forth in Section 17.1. Notice of any meeting may be waived by a Director at any time, provided that the waiver is in writing and signed by the Director, specifies the meeting for which the notice is waived and is filed with the meeting minutes or corporate records of the Association. A Director's attendance at or participation in a meeting waives any required notice of the meeting to the Director unless the Director, at the beginning of the meeting or promptly upon the Director's arrival at the meeting, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting. When a meeting is adjourned, whether or not a quorum is present at the adjourned meeting, no notice of the resumption or reconvening of such adjourned meeting need be given other than by announcement at the meeting at which such adjournment takes place. For a period of ten (10) years following the sale of the last remaining Lot, notice of each Board meeting (other than emergency meetings) shall also be given to Declarant at least seven (7) but not more than thirty (30) days prior to the meeting in accordance with the notice provisions set forth in Section 17.1 below and Declarant and/or its representatives shall have the right to attend and participate in all such Board meetings.

6.6 Voting by the Board. Each Director shall have one (1) vote. All voting rights of a Director shall be suspended during any period in which the entity Member with which the Director is associated with has had its voting rights as a Member suspended in accordance

with the provisions of the Declaration. If a quorum is constituted, the vote of Directors together holding more than fifty percent (50%) of the total votes of the Directors at the meeting and entitled to vote shall be a binding vote of the Board for all purposes, unless a greater percentage is expressly required by the Declaration, any other provision of these Bylaws or any other applicable law or regulation. When action is taken on any matter at a meeting of the Board, the vote or abstention of each Director present shall be recorded in the minutes of the meeting.

6.7 Quorum. The presence in person or electronically of a majority of the Directors shall constitute a quorum for voting at a Board meeting. The Board shall have the power to adjourn a meeting even if less than a quorum is present.

6.8 Action without a Meeting. Any action which under applicable law, the Declaration or these Bylaws permit the Board to take at a meeting may be taken without a meeting if a written consent setting forth the action so taken is signed by all of the Directors entitled to vote on the matter. The consent, which shall have the same effect as a unanimous vote of the Board, shall be filed in the meeting minutes or corporate records of the Association.

ARTICLE VII POWERS AND DUTIES OF THE BOARD

7.1 Powers. The Board shall have the power:

7.1.1 To adopt, modify, or revoke Rules and Regulations governing the conduct of persons within the Property and the operation and use of Lots, and the Common Maintenance Areas in accordance with Article XV below.

7.1.2 To exercise on behalf of the Association all power, duties and authority vested in or delegated to the Association and not reserved for the Members in these Bylaws, the Articles or the Declaration.

7.1.3 To declare the office of a Director to be vacant in the event such Director is absent from three (3) consecutive regular meetings of the Board without just cause having been furnished to and accepted by the Board.

7.1.4 To establish, disburse and maintain such funds as necessary to carry out the functions of the Association pursuant to these Bylaws, the Declaration and the Articles.

7.1.5 To engage the services of a manager, an independent contractor, or such employees as it deems necessary, and to prescribe the conditions, compensation and duties of their work. Such power shall include the authority to enter into management agreements with other parties to manage, operate or perform all or any part of the affairs and business of the Association.

7.1.6 To exercise those powers delegated to the Board under these Bylaws, the Articles, and the Declaration.

7.1.7 To exercise the powers of a nonprofit corporation pursuant to the Oregon Nonprofit Corporation Act.

7.1.8 To exercise any additional or different powers necessary or desirable for the purpose of carrying out the functions of the Association pursuant to the Declaration or otherwise promoting the general benefit of the Members.

7.2 Duties. It shall be the duty of the Board:

7.2.1 To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members.

7.2.2 To supervise all Officers, agents and employees of the Association, and to see that their duties are properly performed.

7.2.3 To establish Assessments and to assess the Members for the same, in accordance with the Declaration and these Bylaws.

7.2.4 To procure and maintain on behalf of the Association such insurance policies as the Association is required to carry under Article XIV of these Bylaws or the Declaration and such other insurance as the Board deems reasonable and necessary.

7.2.5 To cause all Officers, employees or agents, having fiscal responsibility to be bonded, if and to the extent the Board determines such coverage to be advisable.

7.2.6 To cause the Common Maintenance Areas to be maintained, repaired and, when necessary, replaced in accordance with the Declaration.

7.2.7 To maintain a current mailing list of the Members of the Association.

7.2.8 To annually adopt a budget for the Association with regard to the management and operation of the Property.

7.2.9 To perform all duties of the Association and the Board as set forth in the Declaration, the Articles, or these Bylaws.

7.2.10 In performing its duties, the Board shall be governed by the applicable provisions of ORS 65.357, 65.361, 65.367, 65.369 and 65.377.

7.3 Suspension of Powers and Duties. All powers and duties of a Director shall be suspended during any period in which the membership voting rights in the Association of the Director or the entity Member with which the Director is associated have been suspended in accordance with the provisions of the Declaration.

**ARTICLE VIII
INDEMNIFICATION OF DIRECTORS AND OFFICERS**

The Association shall, to the maximum extent permitted by Oregon law, indemnify each of its directors and officers against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of the fact the person is or was a director or officer of the Association and shall advance to the director or officer expenses incurred in defending any proceeding to the maximum extent permitted by such law. For purposes of this Article, a “director” or “officer” of the Association includes any person who is or was a director or officer of the Association, or is or was serving at the request of the Association as a director or officer of another corporation, or other enterprise, or was a director or officer of an association which was a predecessor corporation of the Association or of another enterprise at the request of such predecessor association. The Board of Directors may in its discretion provide by resolution for indemnification of, or advance of expenses to, other agents of the Association, shall provide for indemnification or advance of expenses to other agents to the extent indemnification is mandatory under Oregon law.

**ARTICLE IX
COMMITTEES**

In addition to the Design Review Committee required to be established pursuant to Section 8 of the Declaration, the Board may appoint such additional committees as it deems appropriate in carrying out its purposes.

**ARTICLE X
MEETINGS OF MEMBERS**

10.1 Annual Meetings. A meeting of the Members shall be held annually. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association and each subsequent regular annual meeting of the Members shall be held annually on a date within thirty (30) days of the anniversary date of the first annual meeting of the Members. Subject to the foregoing, the date and time of the meeting shall be set by the secretary of the Association. If the date set for the annual meeting is a legal holiday, the meeting shall be held at the same hour on the first day following which is not a legal holiday. At the annual meeting, the president, and any other Officer or person whom the president may designate, shall report on the activities and financial condition of the Association. The Members shall also consider and act upon any other matters identified in the notice of the meeting. At each annual meeting of the Members, the Members shall elect a number of Directors equal to the number whose terms are then expiring in accordance with Section 5.3 above.

10.2 Special Meetings. Special meetings of the Members may be called at any time by the president, by a majority of the Board, or by the president or secretary upon receipt of a written request of the Members holding at least twenty-five percent (25%) of the outstanding votes of the Association. If the Members request a special meeting as provided herein and notice

of the meeting is not given to the Members within thirty (30) days after the date the written request for the meeting was delivered to the president or the secretary, a Member who signed the request may set the time and place of the meeting and give the required notice. Business transacted at a special meeting shall be restricted to the purposes set forth in the notice of the meeting.

10.3 Notice of Meetings. Except as otherwise provided in these Bylaws, written notice of each meeting of the Members shall be sent by, or at the direction of, the secretary or person authorized to call the meeting, to each Member entitled to vote at the meeting at least seven (7) but not more than thirty (30) days before the meeting. The notices shall be sent in accordance with Section 17 below and shall specify the place, day and hour of the meeting and the items on the agenda. Notice of a meeting may be waived by a Member at any time, provided that the waiver must be in writing and signed by the Member entitled to the notice and must be delivered to the Association for inclusion in the meeting minutes or corporate records of the Association. A Member's attendance at a meeting waives objection to: (i) lack of notice or defective notice unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting and (ii) consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice unless the Member objects to considering the matter when it presented. For a period of ten (10) years following the sale of the last remaining Lot, notice of each meeting of the Members shall also be given to Declarant at least seven (7) but not more than thirty (30) days prior to the meeting in accordance with the notice provisions set forth in Section 17.1 below, and Declarant and/or its representatives shall be entitled to attend and participate in all such meetings.

10.4 Quorum. The presence at any Member meeting of a number of Members, whether in person or by proxy, who are entitled to cast at least twenty percent (20%) of the outstanding votes of the Association shall constitute a quorum for any action unless a higher percentage is otherwise required in the Articles, the Declaration, any other provision of these Bylaws or by applicable law. If, however, such quorum shall not be present or represented at a meeting, the Members who are present, either in person or by proxy, and entitled to vote shall have power to adjourn the meeting until another date and time, without notice other than announcement at the meeting. The quorum requirement for any such subsequent meeting shall be reduced to a number of Members, whether in person or by proxy, who are entitled to cast at least ten percent (10%) of the outstanding votes of the Association unless a higher percentage is otherwise required in the Articles, the Declaration, any other provision of these Bylaws or by applicable law.

10.5 Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, dated and signed by the Member, and filed with the secretary of the Association. Proxies may only be revoked by giving actual notice of revocation to the person presiding over the meeting of the Association, or to the Board if a vote is being conducted by written ballot. Proxies shall automatically cease upon cessation of membership or restriction of the Member's voting rights.

10.6 Majority Vote; Withdrawal of Quorum. If a quorum is present, the affirmative vote of a majority of the voting power of the Members present, in person or by

proxy, and entitled to vote at a meeting shall be a binding vote of the Members unless a higher voting percentage is specifically required by these Bylaws, the Articles, the Declaration, or any applicable law, in which case such higher voting percentage shall apply.

10.7 Action without a Meeting. Any action that the Declaration, these Bylaws or any applicable law require or permit the Members to take at a meeting may be taken without a meeting by written consent or by written ballot. Action taken by written consent must be evidenced by one or more written consents describing the action taken, signed by all Members entitled to vote on the action and delivered to the Association for inclusion in the meeting minutes or corporate records of the Association. Action taken by written consent is effective when the last Member signs the consent, unless the consent specifies an earlier or later effective date. For votes of the Members by written ballot, the Board shall deliver a written ballot to every Member entitled to vote on the matter. The written ballot shall set forth the proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds any quorum required to be present at a meeting authorizing the action and the number of approvals equals or exceeds the number of votes required to approve the matter at a meeting authorizing the action. All solicitations for votes by written ballot shall: (i) indicate the number of responses required to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter (other than the election of directors); and (iii) specify a reasonable time (not less than five business days) by which a ballot must be received by the Association in order to be counted.

ARTICLE XI OFFICERS AND THEIR DUTIES

11.1 Enumeration of Officers. The Officers shall be a president, a secretary, and a treasurer, and such other Officers as the Board may from time to time elect. The president shall at all times be a Director. The Officers need not be Members for so long as there is Class B membership. Following termination of Class B membership, all Officers shall be Members. For purposes of this Section 10.1, the officers, directors or employees of any corporation or governmental agency, the trustee of any trust, the partners of any partnership, or the members, managers, officers or employees of any limited liability company that is a Member shall be eligible to serve as Officers. Any representative of a Member wishing to serve as an Officer in accordance with this Section 10.1 shall provide the Board with documentation satisfactory to the Board that the person is qualified to represent the Member in compliance with the requirements of this Section 10.1. An individual serving as an Officer in a representative capacity of a Member in accordance with this Section 10.1 shall be automatically disqualified from serving as an Officer if the individual no longer meets the requirements set forth in this Section 10.1.

11.2 Election of Officers. The Officers shall be elected by the Board and shall hold office at the pleasure of the Board until their successors are elected and qualified. If any office becomes vacant, the Board shall elect a successor to fulfill the unexpired term at a special meeting of the Board called for such purpose.

11.3 Term. The Board shall elect Officers annually who shall hold office for one (1) year unless an Officer sooner resigns, is removed, or is otherwise disqualified from serving as an Officer.

11.4 Special Appointments. The Board may elect such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

11.5 Resignation and Removal. Any Officer may be removed from office with or without cause by the Board and a successor may be elected at a special meeting of the Board called for such purpose. Any Officer may resign at any time by giving notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified in the resignation notice. Acceptance of the resignation shall not be necessary to make it effective.

11.6 Vacancies. A vacancy in any office may be filled by election at a special meeting of the Board called for such purpose. The Officer elected to fill the vacancy shall serve for the remainder of the term of the Officer he or she replaces.

11.7 Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 10.4 of this Article.

11.8 Duties. The duties of the Officers are as follows:

11.8.1 President. The president shall preside at all meetings of the Board, shall see that orders and resolutions of the Board are carried out, shall sign all leases, contracts, mortgages, deeds, and other written instruments on behalf of the Association, and shall sign checks, payment vouchers, and promissory notes in accordance with Section 10.9 below.

10.8.2 Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members, serve notice of meetings of the Board and of the Members, keep a current list of the names and addresses of the Members and Directors, and perform such other duties as required by the Board.

10.8.3 Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all funds of the Association and disburse such funds as directed by resolution of the Board, sign checks, payment vouchers, and promissory notes of the Association in accordance with Section 10.9 below, keep proper books of account, cause an audit of the Association books to be made if so directed by the Board, and prepare, or cause to be prepared, an annual budget and a statement of income and expenditures to be adopted by the Board and presented to the Members at the Association's regular annual meeting. The treasurer shall administer, oversee and account for the levying and collection of all Assessments.

11.9 Signature of Checks and Other Negotiable Instruments. The president and treasurer shall co-sign all checks in an amount over two thousand five hundred Dollars (\$2,500), payment vouchers, and promissory notes of the Association. The Board may delegate the

signing of checks in an amount less than two thousand five hundred Dollars (\$2,500) each to a professional property manager if the Association has a contract with a property manager for professional management of the Association. Otherwise, all checks in an amount less than two thousand five hundred dollars (\$2,500) each shall be signed by either the president or the treasurer.

11.10 Compensation. Other than reimbursement of out-of-pocket expenses incurred on behalf of the Association, no Officer shall receive any compensation from the Association for acting as an Officer, unless specifically approved by the Board at a meeting of the Board and recorded in the meeting minutes of the Board or otherwise authorized by written resolution of the Board.

11.11 Suspension of Powers and Duties. All powers and duties of an Officer shall be suspended during any period in which the membership voting rights in the Association of the Officer or the entity Member with which the Officer is associated have been suspended in accordance with the provisions of the Declaration.

ARTICLE XII ASSESSMENTS

The Association shall levy, collect, and enforce the payment of Assessments in accordance with the Declaration.

ARTICLE XIII BOOKS AND RECORDS

13.1 Books and Records. These Bylaws, the Declaration, the Articles, any Rules and Regulations adopted by the Board and any other documents required by law shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost. The Board shall keep correct and complete books and records of account for the Association and shall also keep minutes of all meetings of the Members, the Board and any committees established by the Board and shall maintain at the Association's registered or principal office a record of the names and addresses of the Members and Directors. A Director, or his or her agent or attorney, may inspect any and all books and records of the Association for any proper purpose at any reasonable time.

13.2 Financial Statements. The Board may appoint an independent certified public accountant licensed in the State of Oregon as auditor, who shall not be an Officer or own any interest in any Lot, to audit the books and financial records of the Association from time to time.

13.3 Tax Returns. The Board shall cause to be filed the necessary income tax returns for the Association.

13.4 Statement of Unpaid Assessments. The Association shall provide, within ten (10) business days of receipt of a written request from a Member, a written statement that provides: (i) the amount of Assessments due from the Member and unpaid at the time the request was received, including all General Assessments, Special Assessments, Limited Assessments, fines, accrued interest, late payment charges and other charges; (ii) the percentage rate at which interest accrues on unpaid Assessments; and (iii) the percentage rate or fixed charge for late payments. The Association need not provide the amount of assessments due as provided herein if the Association has commenced litigation by filing a complaint against the Member and the litigation is pending when the statement would otherwise be due.

13.5 Declarant Review and Inspection Rights. For a period of ten (10) years following the sale of the last remaining Lot, Declarant shall have the right to inspect and make copies of all books and records of the Association, including without limitation: (i) these Bylaws, the Declaration, the Articles, any rules and regulations adopted by the Board, and all amendments to any of the foregoing; (ii) all meeting minutes, resolutions, operating budgets and financial statements; and (iii) all inspection and maintenance records.

ARTICLE XIV FISCAL YEAR

The fiscal year of the Association shall begin on the first (1st) day of January and end on the thirty-first (31st) day of December of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

ARTICLE XV INSURANCE

The Board shall obtain, and maintain in effect, on behalf of the Association such insurance as required by the Declaration and such other insurance that the Board deems necessary or appropriate. The insurance to be carried shall include, without limitation, liability insurance with respect to the operations of the Association, liability and casualty insurance with respect to the Common Areas, Directors and Officers insurance in amounts that the Board deems necessary, and, if the Association has employees, worker's compensation insurance. Such insurance shall be in commercially reasonable amounts and in such forms and from such companies as the Board may reasonably determine. The Board shall use commercially reasonable efforts to obtain a policy that contains, if available, cross-liability endorsements or other appropriate provisions for the benefit of the Board, the Owners and other named insureds, as their interests may be determined by the Board, insuring each named insured against liability from the other named insured as well as from other third parties. Each Member is encouraged to obtain, and maintain in effect, from reputable insurance companies authorized to do business in the State of Oregon, public liability and property damage insurance with respect to such Member's Lot, as well as fire and extended coverage casualty insurance with respect to the Improvements on the Lot and such Member's personal property in an amount equal to one hundred percent (100%) of the replacement cost thereof.

**ARTICLE XVI
RULES AND REGULATIONS**

The Board from time to time may adopt, modify, or revoke such Rules and Regulations governing the conduct of persons and the operation and use of the Property as the Board may deem necessary from time to time. Without limiting the generality of the foregoing, such Rules and Regulations may be directed toward preventing or eliminating a trespass on the Property, the discharge of stormwater on the Property, or an activity emanating from any Lot that constitutes a nuisance or unreasonably interferes with any other Owner's use and enjoyment of its Lot. Notwithstanding the foregoing, the Board may not adopt Rules and Regulations prohibiting lawful activities within the Property if such activities are not otherwise expressly prohibited in the Declaration. Nothing herein shall be construed as obligating the Association to prevent or eliminate trespass on individual Lots. Rules and Regulations may be adopted, modified or revoked by a written resolution signed by all of the Directors or upon a majority vote of the Directors present and entitled to vote at a meeting of the Board at which a quorum is present. A copy of the Rules and Regulations (or a notice indicating where the same may be viewed on the Internet), upon adoption, and a copy of each amendment, modification, or revocation thereof (or a notice indicating where the same may be viewed on the Internet), shall be delivered by the Board promptly to each Member and shall be binding upon all Members and occupants of the Property upon the date of delivery. Any rule or regulation, which conflicts with these Bylaws or the Declaration, shall be null and void.

**ARTICLE XVII
SHARES OF STOCK AND DIVIDENDS PROHIBITED**

The Association shall not have or issue shares of stock. No dividends shall be paid and no part of the income of the Association shall be distributed to its Directors or Officers, or to the Members. Notwithstanding the foregoing, the Association may pay compensation to the Officers if approved by the Board in accordance with Section 10.10 above and the Directors and Officers are entitled to reimbursement for certain out-of-pocket expenses as provided in Sections 5.8 and 10.10 above.

**ARTICLE XVIII
NOTICES**

18.1 Notices. Any notices permitted or required to be delivered as provided herein shall be in writing and, unless otherwise required by any applicable statute, may be delivered either personally, by messenger, by facsimile transmission if machine confirmation is received by the sender, by e-mail if electronic confirmation of receipt by the recipient is received by the sender, by overnight delivery service or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the residence of such person (or, in the case of an entity, the registered agent for such entity) if no

address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.

18.2 Waiver. Whenever any notice is required to be given under the provisions of the Articles, the Declaration, these Bylaws or any applicable law or statute, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XIX AMENDMENTS

These Bylaws may be amended or repealed and new Bylaws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting at which a quorum is constituted without Member approval, if at least seven (7) days prior written notice is given to the Members of the intention to amend or repeal and adopt new Bylaws at such meeting accompanied by a copy or summary of the amendment without the approval of the Members; provided however, that the Board shall have no authority to amend or repeal any provision of these Bylaws relating to the election, qualifications, powers, duties or terms of Directors without the approval of the Members holding a majority of the total voting power of the Association. In addition, any amendment that imposes an additional disproportionate burden upon or takes away or impairs an existing right particular to any one Lot or group of like-affected Lots shall require the vote of the Members holding seventy-five percent (75%) of the voting power of the affected Lots. An amendment shall not be effective unless it is certified by the president and secretary of the Association as having been adopted in accordance with these Bylaws, acknowledged in the manner provided for acknowledgement of deeds.. No amendment of these Bylaws shall be inconsistent with the Declaration or have the effect of amending the Declaration. Notwithstanding the foregoing, no amendment to these Bylaws shall be effective without the prior written consent of the Class B Member for so long as there is a Class B Member and no amendment to these Bylaws may impair or diminish the rights of the Declarant without the prior written consent of the Declarant.

ARTICLE XX GENDER AND GRAMMAR

The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provision hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

ARTICLE XXI LOANS TO DIRECTORS AND OFFICERS PROHIBITED

21.1 No Loans to Directors or Officers. The Association shall not make any loans to the Directors or Officers. Any Director who votes for or assents to the making of a loan

to a Director or Officer, and any Officer participating in the making of such loan, shall be jointly and severally liable to the Association for the amount of such loan until the repayment thereof.

21.2 Contribution; Subrogation. Any Director or Officer against whom a claim is asserted under or pursuant to Section 20.1 above shall be entitled to contribution from the other Directors who voted for and/or the other Officers who participated in making the loan upon which the claim is asserted. To the extent that any Director or Officer is required to pay such claim, he or she shall be subrogated to the rights of the Association against the debtor on the loan.

ARTICLE XXII CONFLICTS AND PARTIAL INVALIDITY

22.1 Conflicts. These Bylaws are intended to comply with applicable law and the Declaration. In case of any irreconcilable conflict, applicable law and the Declaration shall control over these Bylaws and any amendments hereto, and any Rules and Regulations adopted hereunder.

22.2 Partial Invalidity. The invalidation of any one of the provisions of these Bylaws by judgment or court order shall not affect the enforceability of any other provisions of these Bylaws, which shall remain in full force and effect.

ARTICLE XXIII DISSOLUTION

Upon dissolution of the Association, voluntarily or otherwise, it shall automatically be succeeded by an unincorporated association of the same name and having the same purposes. All assets, property, powers, and obligations of the Association existing prior to dissolution shall thereupon automatically vest in the successor unincorporated association.

ARTICLE XXIV STATUTORY REFERENCES

Any reference in these Bylaws to a specific section of the Oregon Revised Statutes shall mean such section as it is constituted at the time of execution of these Bylaws and as it may hereafter be amended, added to or otherwise changed, and it shall also include any applicable successor provision or any other provision of similar purpose which may hereafter become applicable.

*(Remainder of Page Intentionally Left Blank;
Signature Page Follows)*

IN WITNESS WHEREOF, the undersigned Incorporator of the Association hereby files these initial Bylaws of Juniper Ridge Employment Sub-District Owners Association, Inc. pursuant to ORS 65.061.

DocuSigned by:
Mary Winters
F0C398BD345A438...

Mary Winters, Incorporator